

Message Text

CONFIDENTIAL

PAGE 01 FRANKF 03461 041510Z
ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 TRSE-00 OMB-01 FRB-03 INT-05
XMB-02 SS-15 NSC-05 SP-02 COME-00 /053 W
-----050139Z 127674 /14

R 041444Z MAY 77
FM AMCONSUL FRANKFURT
TO SECSTATE WASHDC 8012
INFO AMEMBASSY BONN
AMEMBASSY MOSCOW
AMCONSUL BREMEN
AMCONSUL DUESSELDORF

C O N F I D E N T I A L FRANKFURT 3461

E.O. 11652: GDS
TAGS: EFIN, GW, UR
SUBJECT: FINANCING OF GERMAN PETROCHEMICAL PLANTS SALES TO
USSR

REF : (A) MOSCOW 4432 (B) MOSCOW 5073

1. A DRESDNER BANK OFFICIAL CONFIRMED THAT
DRESDNER AND WESTDEUTSCHE LANDESBANK HAVE CONCLUDED
A FRAMEWORK AGREEMENT WITH THE SOVIET FOREIGN
TRADE BANK FOR CREDITS AMOUNTING TO DM2.5 BILLION
AS REPORTED IN REF (B) TO FINANCE CONSTRUCTION
OF A PETROCHEMICAL COMPLEX TO BE BUILT IN THE
SOVIET UNION BY A CONSORTIUM OF WEST GERMAN FIRMS.
SAME SOURCE CONFIRMED RECENT REPORTS IN
HANDELSBLATT THAT THESE CREDITS ARE EXPECTED TO BE
COVERED BY HERMES GUARANTEES.

2. ACCORDING TO A HOECHST SOURCE, CONSORTIUM
MEMBERS IN ADDITION TO HOECHST INCLUDE:
ADDIX & CORDES, BAUMWOLL BOERSE, BREMEN, BRENNTAG AG,
MUELHEIM, CYNAMIT-NOBEL AG TROISDORF, DRUPP-
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 FRANKF 03461 041510Z

KOPPERS GMBH, ESSEN; FAND FRIEDRICH UHDE GMBH,
DORTMUND. HOECHST, FACED WITH OVERCAPACITY FOR
SYNTHETIC FIBERS AND PLASTICS, AND UNWILLING TO
TAKE SOVIET OUTPUT OF THESE COMMODITIES, BROUGHT
ADDIX & CORDES INTO THE CONSORTIUM TO
ACCEPT SOVIET RAW COTTONG AS COMPENSATION. THUS,
ALTHOUGH SOME BUY-BACK OF SOVIET CHEMICAL OUTPUT

IS NOT RULED OUT,FINAL AGREEMENT ON THE RAW
COTTONG ARRANGEMENT WILL REMOVE A MJOR HURDLE
TO CONCLUSION OF THE PROJECT.

3. EXACT TERMS AND CONDITIONS OF FINANCING,
INCLUDING PRICE CALCULATIONS AND EXCHANGE RATE
FOR BUY-BACK COMPENSATION ARRANGEMENTS HAVE NOT YET
BEEN FINALIZED.LEHMANN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PRODUCTS, CHEMICALS, FINANCIAL AGREEMENTS, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 04-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977FRANKF03461
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770157-0261
Format: TEL
From: FRANKFURT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770597/aaaadfhm.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8e86169b-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 MOSCOW 4432, 77 MOSCOW 5073
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2647831
Secure: OPEN
Status: NATIVE
Subject: FINANCING OF GERMAN PETROCHEMICAL PLANTS SALES TO USSR
TAGS: EFIN, GE, UR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/8e86169b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009